FUTURE CHALLENGES FOR VIRGINIA AGRICULTURE

Virginia State Feed Association Conference

Virginia Commissioner of Agriculture & Consumer Services

March Lohr

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IMPACT OF AGRICULTURE & FORESTRY

- Commonwealth’s Largest Two Industries
- Economic Impact: Almost $80 Billion Annually
  - $55b From Agriculture; $24b From Forestry
- Provide Nearly 500k Jobs Via Production, Value-Added & Ripple Effect Industries
- More Than 10% of all VA Jobs; Every Industry Job Supports 1.5 Jobs Elsewhere

AG & FORESTRY SECRETARIAT OVERVIEW

- Long Sought, Created in 2004 under Gov. Warner
- 1st Secretary, Bob Blexom, Served Warner & Kaine
- 2nd secretary, Todd Haymore, Serves McDonnell
- Oversees Two Agencies, One State Council
  - DOF: Protects/Develops Healthy, Sustainable Forests
  - VDACS: Promotes Economic Growth/Development of Agriculture, Provides Consumer Protection, Encourages Environmental Stewardship
VDACS OVERVIEW

Division of Animal & Food Industry Services
*Animal Care, Food Safety, Laboratory Services, Meat & Poultry, Veterinary Services

Division of Consumer Protection
*Weights & Measures, Pesticide Services, Plant Industry Services, Charitable Gaming, Consumer Affairs

Division of Marketing and Development
*International Marketing, Commodity Services, Domestic Sales, Livestock Marketing, Ag/Forestry Development, Promotions

IMPORTANCE OF AG EXPORTS

- Exports Mean Jobs & Opportunities
- USDA Data: Exports Generate Nearly 30% of Annual Farm Cash Receipts
- Every $1.00 From Exports Creates Another $1.40 in Support Activities: Processing, Packaging, Financing & Shipping
- Export Related Jobs Pay Average of 15% More Than Other Jobs

VALUE OF AGRICULTURAL EXPORTS

- $2.24B in Ag & Forest Product Exports in 2010
- Second Highest Value Ever; All-Time High in 2009
- 2011 Forecast: Match/Exceed 09/10 Levels
- 3rd Q: VA Exports Up 5% Vs. 2010 w/New Deals
- Great News, But Trade Barriers, High Commodity Prices Continue to Impact
KEYS TO VIRGINIA'S GLOBAL SUCCESS: A Diversified Portfolio of Reasons

- Strategic Mid-Atlantic Location
- World-Class Air, Land, Sea Port Facilities; Excellent Rail & Interstate System
- Business Friendly Climate; “Best for Business”
- Public Sector Recognizing Importance of Exports
- Growers/Producers Offering Product Diversity

VIRGINIA'S TOP EXPORT MARKETS: A Diversified Portfolio of Countries

- Canada
- China
- Morocco
- Belgium
- Indonesia
- Tunisia
- Turkey
- Venezuela
- Russia
- Ireland
- Japan
- The Netherlands
- Germany
- Taiwan
- Hong Kong
- Vietnam
- Malaysia
- Saudi Arabia
- Mexico
- Jamaica

VIRGINIA’S TOP AGRICULTURAL EXPORTS: A Diversified Portfolio of Products

- Soybeans
- Grains (Wheat, Corn, Barley, Animal Feed)
- Pork
- Poultry
- Hides, Skins
- Wood Products, Logs
- Fats, Oils
- Cotton
- Seafood, Aquaculture Products
- Fresh Vegetables
SUCCESSES of 2011

- Two NEW Ag Stewardship Positions in Place
- Increased PDR Funding ($1.2 million)
- New Working Lands Variant for Easements
- New Trade Offices (India and China)

GOALS FOR 2012

- Governor’s Ag and Forestry Industries Development Fund
- Increase Funding for Weights and Measures Program
- Evaluate Retail Strategies to Assist Small Producers

CONCLUSION

THANK YOU!
HAVE A GREAT CONFERENCE

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